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C O N F I D E N T I A L SECTION 01 OF 02 KUWAIT 000201

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TAGS: [PREL](#) [PINR](#) [KISL](#) [IZ](#) [KU](#) [KUWAIT](#) [IRAQ](#) [RELATIONS](#)
SUBJECT: NEW IRAQI CHARGE TO KUWAIT ON RELATIONS WITH
KUWAIT AND THE THREAT FROM IRAN

Classified By: Ambassador Richard LeBaron for reasons 1.4 (b) and (d)

¶1. (C) Summary. During a January 18 meeting with the Ambassador, Iraqi Charge d'Affaires to Kuwait, Hamid Al-Sharifi, spoke about Iran and its growing influence on the Iraqi Shi'a population. He stated that Iranian agents have been able to infiltrate Iraqi schools, hospitals, social centers, and radio stations, adding that there was no clear answer to counter Iran's tactics. He also spoke about improving Iraq-Kuwait relations while working to utilize the Kuwaiti funds made available for reconstruction. Touching on debt relief, the Charge discussed how best to use 500 million USD set aside by the Kuwait Fund for Arab Economic Development for Iraq reconstruction. End summary.

Iraq and Iran

¶2. (C) In an introductory meeting with Ambassador LeBaron on January 18, Iraqi Charge d'Affaires Hamid Al-Sharifi spoke at length about his concern for Iran's growing influence in Iraq. He said that Iran has financed Shi'a social centers, schools, hospitals, and radio stations in order to increase its influence in the region, adding that there were Iranian agents in all of these locales. He stated that Iranians were financing and arming Iraqi militias and that it was an issue that had to be "tackled" head on. Mentioning Muqtadr Al-Sadr by name, Al-Sharifi described a close aide of Sadr's receiving suitcases of money from Iranians who had just crossed the border from Iran. The worry, Al-Sharifi explained, was that there is "no clear answer (on countering this tactic) by the U.S. military." In addition to the influence on the Shi'a populace, Al-Sharifi pointed out that he shared the growing concern about Iran's nuclear aspirations as well as its influence on instability in southern Iraq.

Iraq-Kuwait Relations

¶3. (SBU) Al-Sharifi said he was originally told by the Iraqi MFA that he would be posted to the United Nations as the Deputy Chief of Mission. After planning a move to New York, he was then informed that he would be heading to Kuwait as Charge. He protested to Iraqi Foreign Minister Hoshyar Zebari, who said he personally promised the Kuwaiti Foreign Minister that "he would hand-pick" the Iraqi Charge and that it would be someone Zebari could vouch for personally. Al-Sharifi said that he tasked with "making the Kuwaitis forget about the past and 1990," something he thought would be difficult to accomplish. He commented that he was surprised as to how well received he had been in Kuwait, making dozens of friends by visiting diwanis and getting a better understanding of how Kuwaitis viewed Iraq. Al-Sharifi added

that he would be making a visit to Al Quarain house, a memorial to Kuwaitis who died during the Iraq occupation, in order to show that Iraqis remember what did happen to Kuwait. Al-Sharifi commented though that "Kuwaitis suffered for seven months under Saddam's rule, the Iraqi people suffered 30 years."

Debt Assistance and Debt Relief

¶4. (C) The Charge spoke about what he described as Iraq's 11 billion USD debt to Kuwait. The Ambassador pointed out that some members of Parliament believed that Kuwaitis should have their personal debt paid off before discussing Iraq's debt, but that it was important to start bilateral talks on debt. On debt assistance, the Charge shared that the GOK had 500 million USD in the Kuwait Fund for Arab Economic Development (KFAED) to use for rebuilding Iraq but that the GOK seemed in no rush to discuss its disbursement. According to Al-Sharifi, the GOK seems to be waiting for a permanent government to take its seat in Baghdad before it is willing to begin negotiations. "Perhaps in another two months" we will be able to talk about it, he added. The Ambassador encouraged Al-Sharifi to meet with the leadership of the Arab Fund for Economic and Social Development as well as the head of the KFAED (whom he had not met) and the officials in charge of the Iraqi account to start a dialogue on spending the funds available. He commented the GOK recognized the importance and long-term impact of funding projects such as schools and clinics, especially if they have a proposal in hand. (Note: Kuwait has offered 440 million in soft loans and 60 million in grants for education and health to Iraq through the Kuwait Fund for Economic Development. End note.)

A Three Room Embassy

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¶5. (C) The Iraqi embassy is currently located in a downtown hotel while renovation on its previous Embassy building continues. The GOK is fully funding the renovation on the building which also served as the headquarters for the 19th Province of the Iraqi government during the Iraqi invasion. Until it is completed the Iraqi embassy is renting 3 rooms in a hotel, with a staff of four diplomats (including the Charge) and three locally employed Iraqi staff. The GOK offered to pay 2,000 Kuwaiti dinar (approximately \$6,700 USD) towards the rent of the hotel rooms but, according to Al-Sharifi, Iraqi Ministry of Foreign Affairs turned down the offer. The renovation of the permanent building is not expected to be completed until summer 2006.

Bio Note

¶6. (SBU) Al-Sharifi was seriously injured in an assassination attempt last year and still suffers from a semi-paralyzed right hand. He spent 23 years in exile in London before his return in 2003 and his immediate family still resides in London.

Visit Embassy Kuwait's Classified Website:
<http://www.state.sgov.gov/p/nea/kuwait/>

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State Department's Classified SIPRNET website

LeBaron